



For Immediate Release  
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**FINAL SENATE BUDGET INCLUDES BAUCUS TAX CUTS,  
STRONGER COMMITMENT TO CHILDREN'S HEALTH**

*Finance Chairman's budget amendments focused funds on families and kids,  
affirmed Senate commitment to renewing Children's Health Insurance Program this year*

**Washington, DC** – The U.S. Senate has approved a budget proposal that strengthens funding for the Children's Health Insurance Program and extends tax relief for America's working families, thanks to a budget amendment successfully offered by Finance Committee Chairman Max Baucus (D-Mont.) this week. On Wednesday, the Senate approved a Baucus proposal to put \$15 billion toward renewal and expansion of the expiring CHIP program, including \$5 billion in surplus funds in 2012, and to use surplus funds to extend tax cuts including the child tax credit and relief from the joint-filing penalty paid by America's married couples. The addition of the Baucus amendment leaves the Senate budget balanced in 2012. Another Baucus amendment, requiring action on CHIP before September 30, 2007, was approved by the Senate as well.

**"We amended this budget in a way that heightens our fiscal focus on American families and kids. The promise of \$50 billion for children's health insurance is now closer to reality. The tax relief American families need, and frankly expect, is on its way,"** said Baucus. **"Using surplus funds to keep kids healthy and to improve working families' finances is the right way to go. The Senate is taking a strong, family-focused budget into conference with the House."**

Cosponsors Senators Evan Bayh (D-Ind.), Mary Landrieu (D-La.), Bill Nelson (D-Fla.), and Mark Pryor (D-Ark.) joined Baucus in offering the measure. In addition to providing the \$15 billion in funds for the Children's Health Insurance Program over the last three years of the budget window, the amendment effects a \$15 billion decrease in the "reserve fund" that requires additional money to be raised to cover CHIP costs. Tax measures in the amendment include:

- permanent marriage penalty tax relief
- permanent extension of the refundable child tax credit
- permanent extension of the adoption tax credit
- permanent extension of the higher child care tax credit
- permanent allowance of earned income tax credit for American soldiers' combat pay
- permanent extension of the 10 percent income tax bracket
- permanent extension of current estate tax rate and exemption level

Remaining surplus funds are also designated for tax relief.

The Senate will now work with the House of Representatives to craft a final budget for congressional approval.

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